

**HARMON, CURRAN, SPIELBERG & EISENBERG, LLP**

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(202) 328-3500 (202) 328-6918 fax

March 24, 2008

Jeff S. Jordan  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463

Dear Mr. Jordan:

This response is filed on behalf of Citizens Services, Inc. ("CSI") with regard to MUR 5970. The complaint filed by Ms. Sherwood does not contain evidence of any wrongdoing by CSI. In fact, all it does is to use public records and reports filed with the Commission to demonstrate that the Edwards campaign contracted with CSI to conduct a field program on the campaign's behalf. There is nothing unlawful about this, and as a consequence the Commission should find no reason to believe a violation has occurred.

Although this complaint does not clearly state what CSI has allegedly done that would violate the Federal Election Campaign Act, it seems to be implying that independent activities of outside groups were improperly coordinated with the Edwards campaign. In fact, CSI was hired by the Edwards campaign as a vendor to provide campaign services. CSI provided those services, and received payment as stipulated in a negotiated contract. This is not, as the complaint states in paragraph 27, "what purport to be independent expenditures." This is a standard commercial transaction between a campaign and a vendor. There was nothing independent about these services; they were paid for by and made on behalf of the campaign. None of CSI's behavior amounts to a violation of the Act.

CSI is a Louisiana nonprofit corporation that provides consulting and field services (such as door-to-door canvass and phone banks) to a number of different clients. In 2006, those clients included Donna Edwards for Congress (the "Edwards Campaign"). (See declaration of Mitch Klein (MK) paragraphs 3 and 5, declaration of Patrick Winogrand (PW) paragraphs 6 and attached contract between CSI and the Edwards Campaign.) Pursuant to a contractual arrangement, CSI conducted a field program for the Edwards Campaign. CSI in turn subcontracted a portion of this work to ACORN. (MK paragraph 3 and 4)

The payments from the Edwards Campaign to CSI that were reported to the Commission and are discussed in the complaint were for these services, as indicated on the Campaign's reports.

The complaint makes much of the fact that a number of distinct organizations avail themselves of the same address in New Orleans. The reason for this is that at the relevant time period, 1024 Elysian Fields Avenue housed the offices of Citizens Consulting Inc. ("CCI"). CCI is another consulting firm that provides administrative, legal, and similar services to CSI and a variety of

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Citizens Services Inc.  
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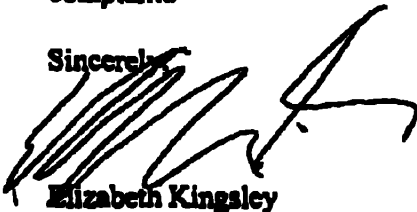
clients. CSI therefore reports this address as its main administrative location, as it is the offices to which most official correspondence should be directed. (PW paragraphs 3, 4, and 5) Similarly, when it registered to do business in Maryland, CSI was required to identify a registered address, and availed itself of the services of National Registered Agents, a firm that serves as registered agent for client corporations on a fee basis. This was the address registered with the state of Maryland, as the official designation of a location to send official correspondence.

Finally, although it is not entirely clear on the point, the complaint appears to suggest that CSI or other organizations sharing its address could have acted as a conduit for passing information between the Edwards Campaign and other organizations engaged in independent expenditures or other advocacy legally required to be independent of the campaign.

In fact, the administrative support personnel at the shared address in New Orleans would not ordinarily have had access to information about the content, timing, or audience for any communications carried out for the Edwards Campaign, or about the Campaign's plans, projects or activities. They would only have processed payments of invoices after the fact. (PW paragraphs 7-10) This shared administrative office does not create an avenue for coordination. The complaint's insinuations in this regard are utterly baseless.

For these reasons, we urge the Commission to find no reason to believe and dismiss this complaint.

Sincerely,



Elizabeth Kingsley

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1. My name is Patrick Winogrand.
2. I am an employee of Citizens Consulting Inc. ("CCI").
3. CCI provides administrative, accounting, legal, and similar services for a number of different client organizations, including Citizens Services Inc. ("CSI").
4. CCI's offices have been located at 1024 Elysian Fields Ave., New Orleans LA, until moving to a new office space in early 2008.
5. CCI's clients typically use this address as their primary contact point in order to ensure that legal and financial documents come to the location of the staff providing associated services.
6. CCI is also responsible for maintaining files on contracts entered into by its clients. The attached contract between CSI and Donna Edwards for Congress is from CCI's files.
7. My job responsibilities include overseeing all of CCI's services provided for CSI and for ACORN's "political" operations. I held this position in 2006 and exercised those same responsibilities then.
8. The information that I receive from CCI clients is limited to factual financial information required to carry out our administrative services. Typically this would take the form of requests to pay a given vendor a specific amount.
9. As a general matter, there would never be any reason for CCI staff to receive specific campaign material or any strategic plans or information related to a client's operations.
10. Specifically, in 2006, I did not receive or have access to information regarding plans, strategies, or needs of CSI or ACORN relating to their work for the Edwards campaign.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge.

  
Patrick Winogrand

3-21-08  
date

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**Consultant Agreement Between CSI and Donna Edwards for Congress**

THIS AGREEMENT dated as of July 3, 2006 is entered into between Donna Edwards for Congress (the "Edwards Campaign") and Citizens' Services, Inc. (CSI) (the "Consultant").

**Section 1. Services**

CSI agrees to provide a Get Out the Vote persuasion program, starting July 6th 2006 and ending Sept. 12<sup>th</sup>, 2006.

During this period CSI will contact registered voters provided by the Edwards Campaign in the following district:

MD Congressional District 4

In this district CSI will deploy a 1/2 time overall campaign director, 2 political organizers, 25 part-time staff and 5 team leaders.

5-10 of these staff will be for the purposes of nightly phone banking, the remainder in the field.

CSI agrees to auto-dial base voters in the district twice.

**Section 2. Term**

The term of this agreement shall begin upon signing and shall end September 12, 2006.

**Section 3. Termination**

This Agreement may be terminated by mutual consent of the signed parties or with 5 days written notification by one party to the other. In the event of termination, all fees owed to CSI shall become immediately due and payable.

**Section 4. Compensation and Fees**

During the term of this Agreement, the Edwards Campaign agrees to compensate CSI for its services as following:

The costs for the program are the following: up to \$40,000 every two weeks with a \$40,000 up front payment. If the services for the two week period are less than \$40,000 (see below) CSI's invoice for that period will be for the lesser amount. Services will be determined by the following unit rate:

- \$ 2.75 per door contact
- \$ 1.50 per phone contact
- \$ .03 per auto-dial plus long distance charges
- \$ 1500 bi-weekly for a political organizer
- \$ .03 cents per photo copy, .04 cents if two-sided
- \$ 1250 bi-weekly for half-time CSI campaign director

Auto Dial	0.03 Per call	160000	Local Calls	4800
	0.07 Per call	68482	Long Distance Calls to Montgomery	4781.84
Auto-dialer again before election day				8681.84
<b>Voter Persuasion Campaign</b>				
Persuasion Canvass	2.75 Per voter contact	15000	Voters contacted (5,000 Yes)	41250
Persuasion Phonebank	1.5 Per voter contact	30000	Voters contacted (10,000 Yes)	45000
Phonebank for Volunteers	1 Per Vol. Contact	10000		10000
Supervisor Pay	8000 Per Month	2.5 Months		15000
Organizer Pay	10000 Per Month	2.5 Months		25000
Coordinated Lit Drops	0.35 Per Lit. Drop	100000	Households	35000
Other Part Time Staff				
QC and Database	5.00% Of Total Voter Persuasion Cost			4312.5
Election Day Push	10000			10000
			<b>Total</b>	<b>204745.78</b>

\$ 500 bi-weekly for rental of phones and space

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**Section 5. Independent Contractor.**

in performing these services, CSI is an independent contractor and is not an employee or affiliate of the Edwards Campaign. CSI is solely responsible for the payment of all wages, expenses, compensation, social security taxes, federal and state unemployment insurance and any other similar taxes relating to its employees, agents, contractors, or subcontractors. CSI will furnish all labor, equipment and materials necessary to the performance of its duties and responsibilities under this agreement, except that the Edwards campaign shall provide voter lists and campaign literature where appropriate. CSI will comply with all applicable workers' compensation, employer's liability, and other federal, state, county and municipal laws, ordinances, rules and regulations. CSI will assure that its employees, agents, contractors and subcontractors comply with all federal state, county, and municipal laws, ordinances, rules and regulations.

## **Section 6. Entire Agreement**

**This entire agreement is the entire agreement between the parties and supersedes all previous arrangements and understandings. This agreement may not be altered, amended, or modified except in writing and signed by both parties.**

## Section 7. Commitments

Anything contained in this agreement to the contrary notwithstanding, it is understood and agreed that CSI shall not have the right to make contracts or commitments for or on behalf of the Committee.

### **Section B. Attorney fees and costs of suit**

Should either party, in the successful legal enforcement of any part of this agreement, incur attorney's fees, related expenses, or other court costs, each party agrees to reimburse the other for such expenses, attorney's fees, or costs.

**Section 8. Applicable Law.**

**Maryland and federal law will determine any necessary interpretation of the agreement.**

**IN WITNESS WHEREOF, this Agreement has been duly executed by the parties as of the date first above written.**

**Approved for CSI by:**

Signature 11/13/2009

8/2/06

Co-Directors

604-243-5984

1024 Elysean Fields Ave, NO, LA 70117  
Address

**Agreed by Donna Edwards for Congress:**

Signature

Date July 5, 2006

**Tax ID #**

301 316 1880

Address Temple Hills, MD 20748

Fort Washington, MD 20749-1153

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**FEDERAL ELECTION COMMISSION****RE: MUR 5970****DECLARATION OF MITCH KLEIN**

1. My name is Mitch Klein.
2. In 2006, I was the Head Organizer for ACORN in Maryland.
3. In my capacity as ACORN Head Organizer I was requested by national ACORN and CSI officials to serve in an advisory role to Citizens Services Inc. to assist their staff in helping to design and implement a field program for the Donna Edwards Campaign. I participated in discussions about strategy and costs for the campaign. These discussions included means by which ACORN would provide services for CSI for pieces of an outreach program particularly in the areas of field strategy and management and a phone program.
4. CSI paid ACORN an agreed-upon amount to pay for the services ACORN provided related to this program.
5. In my advisory role I reviewed invoices for work prepared by CSI staff for submission to the Edwards campaign and assisted CSI staff and the Edwards campaign in decisions to scale back the program when the Edwards campaign did not meet its fundraising targets.
6. As head organizer of ACORN, I had no knowledge of any public communications made by ACORN during the time of the 2006 primary campaign that referred to either Wynn or Edwards other than as part of the services provided under the CSI contract to the Edwards campaign. In this context, I understand "public communications" to mean the following communications made to the general public (i.e., to people other than ACORN members): broadcast, cable, or satellite communication; newspaper, magazine, or outdoor advertising facility; mass mailing (more than 500 pieces of identical or substantially similar nature within a 30-day period); telephone bank (more than 500 telephone calls of an identical or substantially similar nature within 30-day period); or any other form of general public political advertising.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge.

  
Mitch Klein

3-21-08  
date

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